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COPY 1 OF 1

25X1A

SUBJECT: Analysis of Proposal for Field Engineering Services, Contract [redacted]
1 July 1957 to 30 December 1957

TO: Contracting Officer

1. An audit analysis has been made of the contractor's proposals submitted by CMCC Doc. No. 151X5.657.

2. Exhibit A:-

a. Labor: The contractor's estimates of man-months required for the various phases of the program were made by technical people, and are not susceptible of an audit determination. The total number of hours shown in the cost estimate agree with the detailed number of man-months, on the basis of a 40-hour week.

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The hourly rate of [redacted] for technicians is the same as the rate currently being used on other proposals. Comments pertaining to this job classification were included in our report on proposals 25X1A [redacted] through 25X1A [redacted] which was sent to you 10 June 1957.

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The hourly rate of [redacted] for engineers includes both field engineers and field engineering supervisors. Comments pertaining to these job classifications are included in our report on proposed fixed price man-month field service rates, being submitted concurrently with this report. The 25X1A rate of [redacted] appears reasonable, based on combined average rates for overhead and G+A rates. Reference is made to

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over report on proposals [redacted] and

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[redacted] being submitted concurrently with this report.

c. Purchased Parts: The reasonableness of this estimate of $13,700 is not susceptible of an audit determination.

d. Travel: The AF auditor was informed that the cost of each U.S. trip was estimated at approximately $350 - $200 for fares and $150 for per diem. The cost of a foreign trips was estimated at approximately $1000.

3. Exhibits B, C, and D:- The contractor's estimates of the number of man-months are not susceptible of an audit determination. The AF auditor was informed that

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In computing estimated costs in these exhibits, the amounts of 25X1A [redacted] per engineering man-month and 25X1A [redacted] per technician man-month were used. This compares with 25X1A [redacted] for technicians, 25X1A [redacted] for engineers, and 25X1A [redacted] for field engineering supervisors, as proposed by the contractor in CMCC Doc. No. [redacted]. Total estimated costs shown in the exhibits also include estimated travel costs of $7,500 in Exhibit B, $9,000 in Exhibit C, and $4,500 in Exhibit D.

W.E.M. 9/30/57

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